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Costa Rica's Ag Biotechnology Situation and Outlook

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Report Highlights:

Costa Rica ratified the Cartagena Protocol on November 2006. However, additional regulations are needed for the country to implement the Protocol. Local authorities are working on implementation, but so far imports of U.S. products have not been affected and continue to be made under previous conditions, i.e. only a phytosanitary import certificate is required.

Section I. Executive Summary:

Transgenic varieties have been grown in Costa Rica for seed multiplication purposes since 1992, with all seeds being exported to the country of origin. Costa Rica has implemented legislation to regulate the import and cultivation of biotech crops. This legislation includes a labeling requirement for genetically modified organisms in agriculture, but there is currently no requirement that foods containing the products of biotechnology be labeled.

Beginning in 2004, environmental groups strengthened their campaign against the planting of transgenic varieties in Costa Rica. On September 23, a coalition of these groups submitted to the government a petition to impose a moratorium on the planting of transgenic varieties in Costa Rica, citing the precautionary principle with respect to both the environmental

impact and the human health impact of biotechnology. On October 4, 2004, a Presidential decree was published modifying the composition of the Commission on Biosafety, which reviews all requests for approval of new biotech varieties for planting or propagation. The Commission now has two members from an extreme environmentalist coalition and an additional member from the Environment Ministry.

Despite the fuss over the environmental impact of transgenics in 2004, the area planted to transgenics has grown, while anti-biotechnology media events have received only moderate press in Costa Rica.

Costa Rica signed the Cartagena Protocol on Biosafety in May 2000. However, the Protocol was not ratified by the Legislative Assembly until July 17th, 2006. It was published in the Official Diary, “La Gaceta”, on November 27th, 2006, thus becoming law. Costa Rica is now working on the national regulatory framework necessary for the implementation of the Protocol. However, up to this point, there have been no changes to the regulations for the importation of grains from the United States. Also, according to government sources, work on the decree that would contain regulations for the importation of products destined for direct human or animal consumption or for processing, which are the product of modern biotechnology, has not advanced up to this point because of coordination hurdles among the different ministries involved. With national elections scheduled for February 2010, a new bill is unlikely to enter the legislative current before a new administration begins in May 2010.

Section II. Biotechnology Trade and Production:

Costa Rica reproduces genetically modified cotton and soybean seed entirely for export to the country of origin. The seeds do not stay in the country for local consumption. Currently, about 1,500 hectares of soybeans and cotton are planted for the purpose of multiplication of planting seeds for export to the United States.

The events planted are Roundup Ready, Roundup Ready Flex, Bollgard, Bollgard II, WideStrike, Cry 1F, Bomoxinil, Liberty Link, Vip 3A and some combinations of the previous ones, for cotton. For soybeans, only Roundup Ready is planted. The GOCR has not received any requests to date for approval to plant transgenic varieties for human or animal food consumption in Costa Rica.

Costa Rican researchers are working on the development of genetically modified rice (resistance to virus and herbicides), bananas (resistance to black Sigatoka), and pineapples. The development of these products is at the field trial stage. Although, according to sources familiar with the research, the most advanced project is in bananas, it is not expected to come to market during the next couple of years.

Costa Rica imports genetically modified corn and soybeans from the United States for animal feed production, and a small volume of cotton for processing. Costa Rica is not a recipient of food aid and is not likely to become a food aid recipient in the near future. Imports of genetically modified organisms are limited to those indicated above from the United States.

Section III. New Technologies:

In the field of new technologies, Costa Rica has been very active in researching plants that could produce pharmaceuticals. The Law on Biodiversity, http://www.conagebio.go.cr/legislacion/Costa%20Rica_%20Biodiversity_Law.rtf establishes the requirements and procedures necessary for granting permits to conduct research and to use local plants or organisms to produce pharmaceutical products. Examples of approved research projects include: “Evaluation of the Potential of Costa Rican Plants in Anti-cancer and Anti-diabetes Tests”, “Phyto-chemical Study of Species for the Discovery of Natural Products with Cancer, Fungus, and Parasite Fighting Activity”, “Discovery of Potential Therapeutic Agents from Natural Products in the Costa Rican Biodiversity”. “New Drugs Derived from Tropical Plants for the Treatment of Breast Cancer”. A full list of approved projects is available at: <http://www.conagebio.go.cr/permisos/Investigacion%20Basica/inicio.html>

No activity has been reported under other new technologies such as animal cloning or plant nanotechnology.

Section IV. Biotechnology Policy:

In 1990, Costa Rica created the National Technical Biosafety Commission (NTBC), which is attached to the Ministry of

Agriculture by law (Animal and Plant Health Protection Law 7664 of April 1997, <http://www.protecnet.go.cr/sfe/leyesydecretos/MAGLaw7664.pdf>). The law confers upon the NTBC power to regulate imports, exports, research, testing, movement, propagation, industrial production, marketing and use of transgenic and other genetically modified organisms for agricultural use.

The Commission had operated as a strictly technical body for years, however on October 4, 2004, under pressure from groups opposed to biotechnology, then President Abel Pacheco modified its composition resulting in the following membership: one representative of the Science and Technology Ministry, two representatives from the Ministry of Agriculture, two representatives from the Ministry of the Environment, one representative from the National Seeds Office, two representatives from the National Academy of Sciences, one representative from the Federation for Environmental Conservation, and one representative from the Biodiversity Conservation Network. The new administration, which started in May 2006, has not changed the composition of the Commission.

At this time there is no specific legislation requiring approval of products of biotechnology for food consumption, feed or processing. Imports of U.S. grains and soybeans for animal feed production enter Costa Rica under procedures identical to the importation of any other agricultural product. However, legislation to regulate “confined use, release into the environment, research, marketing, promotion, multiplication, transportation, destruction, imports, exports and transit of living modified organisms and their by-products” is under consideration by the GOCR. However, government sources have indicated that work is still necessary for different ministries to agree on a final draft, and that new legislation is not likely to be sent to the Legislative Assembly before May 2010.

The country allows field tests of biotechnology crops, following appropriate risk analysis for each particular case.

Cases that present stacked events (plants that combine two, or more already approved traits, such as herbicide and insect tolerance) are allowed, such as in the United States, according to local authorities.

Regarding the coexistence of biotechnology and non-biotechnology crops (including organic agriculture), Executive Decree 29782 – MAG of September 18, 2000 (Organic Production Regulation), indicates in Chapter III, Article 24: “Genetically Modified Organisms or those obtained through genetic engineering and the products derived from such organisms, are not compatible with the principles of organic production (understood as production, processing, manufacture or marketing), and their use in organic agriculture is not allowed”. The link to the decree is the following:

<http://www.protecnet.go.cr/SFE/organica1/formularios/Decreto%20Ejecutivo%20No%20%20%2029782%20M.pdf>

Costa Rica recently approved legislation to promote the production of Organic Products. Article 24 of the legislation indicates the following: “any person who plants transgenic products, will have to obtain permission from the Ministry of Agriculture, without which, the person will not be allowed to initiate the activity. The permit will be granted as long as there is a previous study proving that there are no organic products within a reasonable distance, which may be affected by wind or proximity. The procedure to grant the permit will include consultations by the authorities with the organic producer organizations present in the area.”

There is no law regarding the use of labels such as “biotech free”, “non-biotech”, “gmo-free” or “non-gmo” right now. Anti-biotech groups are pushing for mandatory labeling of food products derived from modern biotechnology. However, labeling is required to introduce and/or trade plant products or other genetically modified organisms (gmOs) for use in agriculture in Costa Rica. In this case the product must be identified as such on a label where the consumer can identify its characteristics. To date, this requirement has been applied only to labeling of planting seeds.

Recent media events in Costa Rica have shifted focus from an emphasis on the environmental impact of biotechnology to the results of environmentalists’ sampling of food products, which purportedly revealed transgenics in the food supply. Environmentalists have called for legislation to ban the import of transgenic grains, and to establish a labeling system for transgenic foods. Costa Rica imports in excess of \$100 million in commodities that may contain transgenic ingredients per year. Processed food imports, many of which contain ingredients derived from biotech commodities, are growing.

There are no biotechnology trade barriers that affect U.S. exports at this time. Costa Rica is an importer of soybeans and

corn (primarily yellow corn for animal feed production). Imports of processed products that may contain products of biotechnology are also an important segment of total agricultural products imported from the United States. Local regulatory authorities, primarily in the Ministry of Agriculture, have expressed a view towards regulating biotechnology in a way that does not interfere with trade.

Section V. Marketing:

Costa Rica is an importer of corn and soybeans from the United States. There seems to be very little if any concern regarding the process from which these products are derived, among users (primarily animal feed producers) or among consumers in the country. The anti-biotech campaign developed since 2004 by different groups under the Federation for Environmental Conservation and the Biodiversity Conservation Network, has not had a significant negative impact among consumers. In fact, as a result of these group's statements (which included at a point a threat to destroy biotech crops), scientists, MAG officials, and the press have had the opportunity to express points of view favorable to biotechnology. Nevertheless, the general public has limited knowledge of the topic and can be easily manipulated by these groups, especially in rural areas, where the educational level of the population is lower.

Section VI. Capacity Building and Outreach:

The U.S. Government funded the visit of a biotechnology expert from University of California, Davis, in June 2005. The expert met with government officials from the Ministries of Agriculture, Health, Economy and Environment, as well as with scientists and members of the NTBC, and discussed different issues related to biotechnology, including the costs of over regulation. He also made a public presentation at the University of Costa Rica, which was well attended by students, academics, and public officials. Interviews were provided to written media and to a television station, and press coverage was generally science based and informative. After the visit, an article which expressed many of the points presented by the speaker in support of biotechnology, was published by a well-known local scientist in a leading newspaper.

Also, in November 2005, a University of Georgia Professor and biotechnology expert, visited Costa Rica to meet with GOCR officials from the Ministries of Health and Economy as well as with Legislative Assembly staff. The expert was also interviewed by the Director of "Radio Monumental", a local radio station.

Another capacity building and outreach activity included the participation of two U.S. professors in a two day Seminar at the University of Costa Rica in February, 2006. The participation of the two speakers was partially funded by the U.S. Government. The experts also had private meetings with local regulators during their visit.

Post organized the visit of an Argentinean expert on biotechnology in August 2007. Topics of his presentations and meetings included the Cartagena Protocol, problems related to labeling of processed products derived from biotechnology and the U.S.-EU conflict over biotech. Officials from the Ministry of Agriculture, Ministry of Economy, Ministry of Health, and the Ministry of Environment, attended his presentations.

Local authorities have expressed interest in obtaining training/information on the intellectual property aspects of biotechnology.